Action against German remedies

2120. SHRI MAHENDRA MOHAN MISHRA: Will the Minister of INDUSTRY be pleased to refer to the answer to Unstarred Question 2863 given in the Rajya Sabha on the 16th December, 1985 and state:

(a) whether decision to take action against German Remedies for import of Oxyfederina has been finalised;

(b) if so, the details thereof;

(c) whether it is a fact that apart from the above violation the company was also engaged in the activity of transfer pricing;

(d) whether it is a fact that the international price was much lower than the price at which the drug was imported by this company;

(e) whether his Department is also monitoring the transfer pricing on the imports of drugs by the companies who have connections with the foreign suppliers;

(f) whether any findings have been obtained in this case for transfer pricing; and

(g) if so, what is the outcome thereon?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS (SHRI R. K. JAICHANDRA SINGH): (a) No. Sir.

(b) Does not arise.

(c) No such instance has come to the notice of the Government.

(d) Does not arise.

(e) to (g) Based on the import prices as become available from daily list of imports, whenever any instance of major variation from the average import price come to the notice of the Government suitable action is taken to go into the matter and refix the prices of formulations.

Price of Novalgin

2121. SHRI MAHENDRA MOHAN MISHRA: Will the Minister of INDUSTRY be pleased to refer to the answer to Unstarred Question 2853 given in the Rajya Sabha on the 16th December, 1985 and state:

(a) what is the procedure of fixation of price of drugs;

(b) whether it is based on the actual purchase price or market price or notified price;

(c) whether there is any provision in drugs price control order 1979 to automatically reduce prices in case the bulk drugs price has fallen from the price taken while fixing the formulation price;

(d) the number of applications his Department received from formulators for the reduction of prices during the last three years alongwith the name of party, the earlier and applied price of each;

(e) whether it is not a fact that the formulator over charged the consumer on Novalgin when the drug was purchased at lower price than the price taken for fixation of Novalgin tablets price;

(f) whether his Department has finally worked out the unintended profit made by the formulator of Novalgin range of formulations during the last three years; and

(g) if so, details of final amount?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS (SHRI R. K. JAICHANDRA SINGH): (a) The prices of drugs are fixed based on the recommendations of the Bureau of Industrial Costs and Prices.

(b) In fixing the prices of formulations, the notified price of bulk drug or the price claimed, whichever is lower, is allowed.

(c) No, Sir.

(d) No such applications for reduction in retail prices were received.

(e) M/s. Hoechst are selling Novalgin Tablets at the price fixed by the Government.

(f) and (g) Scrutiny in this case so as to determine the excess amount under para 7(2) of the Drugs (Prices Control) Order, 1979 is on in accordance with the due procedure of Law.

Shortage of Ampicillin

2122. SHRI MAHENDRA MOHAN MISHRA: Will the Minister of INDUSTRY be pleased to state:

(a) whether his attention has been drawn to the news which appeared in the Economic Times on the 1st December, 1985, under the heading "Acute Ampicillin shortage";

(b) if so, whether it is a fact that the production of Ampicillin and Amoxicillin has fallen tremendously due to non-availability of 6-APA;

(c) whether it is also a fact that number of small scale units have been closed down due to this reason;

(d) the names of the units both in the organised as well as small scale sector licensed to produce 6-APA;

(e) how many of these units have started the production of 6-APA and what was the production during the last three years, yearwise alongwith quantity supplied to others each year;

(f) what was the captive consumption of each, yearwise during the last three years; and

(g) what is the policy regarding licensing of 6-APA and whether any application is pending?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS (SHRI R. K. JAICHANDRA SINGH): (a) Yes, Sir.

(b) No, Sir. There is adequate availability of 6-APA.

(c) Closure of any Small Scale Sector due to non-availability of 6-APA has not come to the notice of the Government.

(d) Details of Industrial Licences issued to various units are published in the monthly News Letter of India, Investment Centre, copies of which are available in the Parliament Liberary. Small Scale Sector Units are not required to obtain any industrial licence under the Industries (Development and Regulation) Act.

(e) and (f) To the extent information is available, Indian Drugs and Pharmaceuticals Limited, Hindustan Antibiotics Limited, Alembic Chemical Works and Max (India) Limited are already producing 6-APA. The production of these units as available for the last two years is given below:—

	1983-84 (tonnes)	1984-85 (tonnes)
1. Indian Drugs and Pharmaceuticals Limited	17.19	17.44
2. Hindustan Antibiotics Ltd.	1.48	15.61
3. Alembic Chemical works	2.36	1.71
4. Max (India) Limited	Nil	Nil